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Portland, Oregon 97232

March 19, 2025

Received
Records Management
Mar 19, 2025

VIA ELECTRONIC FILING

Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503-1036

Re: Docket UE-25_____—Affiliated Interest Filing—PacifiCorp and Bank of America

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, PacifiCorp dba Pacific Power & Light Company (PacifiCorp or Company) provides notice of affiliate interest transactions with Bank of America N.A. (Bank of America).

The Company selected Bank of America as a passive underwriter. A confidential copy of the draft Form of Underwriting Agreement (Agreement) is included as Confidential Attachment A. This document contains a “draft” designation, which will be removed upon execution of the agreement. The Company does not expect to see any material changes to the terms and conditions of the Agreement.

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy, (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). On December 31, 2024, Berkshire Hathaway, various subsidiaries of Berkshire Hathaway, and various employee benefit plans of Berkshire Hathaway subsidiaries together held in excess of five percent of Bank of America common stock. RCW 80.16.020 includes in its definition of “affiliated interest,” “every corporation five percent or more of whose voting securities are owned by any person or corporation owning five percent or more of the voting securities of such public service company or by any person or corporation in any such chain of successive ownership of five percent or more of voting securities.” Therefore, Berkshire Hathaway’s ownership interest in Bank of America creates an affiliated interest.

PacifiCorp intends to issue a bond offering in the near future and has solicited underwriting proposals from a number of banks. Several banks, including Bank of America, provided information on indicative credit spreads, market conditions, their credit analysis, marketing plans, and underwriting fees. The selection of Bank of America was not influenced by Berkshire Hathaway’s ownership interest. Bank of America underwriting fees will be determined at a rate equal to all underwriters and at what PacifiCorp believes to be market rates or better for the Company. PacifiCorp anticipates the underwriting fee will be approximately [REDACTED]. In addition, passive Underwriters shall make a payment to the Company in an amount [REDACTED] in respect of certain expenses incurred by the Company in connection with the offering. The underwriting fee is commercially-sensitive, and if revealed, could erode the Company’s bargaining position in future transactions. Such erosion of

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bargaining power could lead to increased costs. This information is designated confidential under RCW 80.04.095 and submitted in accordance with the provisions of WAC 480-07-160.

As a public utility, the Company is expected to acquire, construct, improve, and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. Issuance of bonds are part of a program to finance the Company's facilities taking into consideration prudent capital ratios, earning coverage tests, and market uncertainties as to the relative merits of the various types of securities the Company could sell. Accordingly, the transaction is consistent with the public interest.

Also included with this filing is a verification from Nikki Kobliha, Vice President, CFO and Treasurer, PacifiCorp, regarding the Agreement.

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to: datarequest@pacificorp.com.

Please contact Ariel Son at (503) 813-5410 if you have any informal questions.

Sincerely,

 /s/

Robert Meredith
Director of Pricing & Tariff Policy
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232-2152
(503) 813-5017
robert.meredith@pacificorp.com

Enclosures

NEW-PAC-Affiliated-Interest-Underwriting-Agreement-3-19-25(C).pdf
NEW-PAC-Affiliated-Interest-Underwriting-Agreement-3-19-25(R).pdf
NEW-PAC-Verification-3-19-25.pdf

WASHINGTON AFFILIATED INTEREST FILING
CONFIDENTIAL
FORM OF UNDERWRITING AGREEMENT

REDACTED

WASHINGTON AFFILIATED INTEREST FILING

VERIFICATION

VERIFICATION

I, Nikki L Koblaha, am an officer of PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Form of Underwriting Agreement, I verify that the draft Form of Underwriting Agreement is a true and accurate copy.

I declare upon the penalty of perjury, that the foregoing is true and correct.

Executed on March 18, 2025 at Portland, Oregon.

Nikki L. Koblaha
Senior Vice President and CFO